

Housing Affordability

Homeownership is the fulfillment of the American Dream, and is the traditional starting point for American families to accumulate wealth. Homeownership provides shelter and security to families, and fosters involvement in community life, as well as participation in democratic institutions. Homeownership provides important social as well as economic benefits. It is the cornerstone of a healthy community and the basis for positive community involvement.

For homeowners, the value of their homes – the largest investment most of them will make in their lifetimes – creates an incentive to stay abreast of local government actions. Owning a home gives people greater reason to care, and that makes a huge difference.

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Making Housing Affordable

Despite good economic growth in Silicon Valley, our housing market remains in trouble. The housing market's failure, driven by troubles with subprime loans, cannot continue, as it is contributing to our overall economic malaise. Homeownership and affordable housing are also particularly difficult in the Silicon Valley region, where real estate prices are among the highest in the nation.

Even though Congress has passed strong pieces of legislation, like the Helping Families Save Their Homes Act, and the White House has partnered with the best economic minds in our country to create the Making Home Affordable (MHA) program, there are still millions of Americans struggling to avoid foreclosure.

A major problem these struggling families are facing is the unwillingness of their loan servicers to modify their mortgages to a sustainable interest rate, even with the incentives offered to them by federal programs. In order to help address the issue, my friend and fellow Californian Congresswoman Doris Matsui offered an amendment to the Wall Street Reform and Consumer Protection Act that requires servicers who participate in the federal programs to publicly report the number of requests for mortgage modifications that the company has received, that the company has approved, and that the company has denied every month. While some companies have responded well to public pressure, unfortunately, many are still not adequately responding to homeowner concerns. Since the government cannot legally force private companies to address these concerns, I will continue to work with my colleagues to find ways to hold their feet to the fire so they will better work with homeowners to keep families out of foreclosure, such as our effort to encourage Wells Fargo to participate in the California Housing Finance Agency's new Keep Your Home California Program.

In May 2009, Congress passed and President Obama signed the Fraud Enforcement and Recovery Act, which fights mortgage and corporate fraud. The bill gave the Justice Department additional tools to fight fraud in the use of TARP and recovery funds, including extending federal fraud laws (including making false statements, mail and wire fraud, and financial institution fraud) to apply to mortgage lending businesses, making it a federal crime for government contractors to defraud the government of funds, nearly doubling the FBI's 'Mortgage, Financial Fraud Program,' and increasing support for prosecution of fraud cases.

As a member of the House Appropriations Committee, I have also worked with my colleagues to advocate for federal dollars to organizations such as the [Housing Trust of Santa Clara County](#), which provides gap financing to developers of affordable multi-family rental units, emergency shelters, transitional housing, and housing for special needs populations. The Housing Trust also created the First-Time Homebuyer Assistance Program to give workers better opportunities to buy their first home. Programs such as these are essential for first-time homebuyers who would not otherwise be able to buy a home and help people put down roots, spend more time in family activities, and be more involved in their children's lives, their schools, churches, and civic activities. I was honored that the Housing Trust of Santa Clara County presented me with the Housing Champion Award at their 2010 Investor Briefing, where I served as the keynote speaker.

I have also advocated for federal dollars to help our neighborhoods that have been hardest hit by foreclosures. In January 2010, HUD announced an award of \$25,000,000 from the Neighborhood Stabilization Program 2 (NSP2) to assist Silicon Valley neighborhoods that are most impacted by the current foreclosure crisis. The Housing Trust partnered with the City of San Jose Housing Department and Neighborhood Housing Services of Silicon Valley to form the NSP2 San Jose Consortium to apply for and administer these funds. HUD's \$25,000,000 award to the San Jose Consortium will go a long way toward stabilizing Santa Clara County's hard-hit neighborhoods. With these federal funds, our communities will be better equipped in the fight against foreclosure, reduced property values, and neighborhood decay. As our neighborhoods rebound from the worst economic downturn since the Great Depression, I will continue to make sure that they are receiving the federal funds that they need to recover and rebuild.

Federal Housing Programs

The goal of federal housing policy is “a decent home in a suitable living environment for every American family.” However, federal spending has always fallen short in this arena. In the past, subsidized housing units have been concentrated in poor neighborhoods, actually raising their poverty rates. In the last decade, federal housing policies have put greater emphasis on creating healthy mixed-income communities and assisting poor families who want to move to private housing in low-poverty communities. When crumbling housing projects are replaced with mixed-income developments, the total pool of units available for the poorest families may shrink. Attempts to construct new subsidized housing in non-poor communities are often vehemently opposed.

The previous Bush Administration proposed severe cuts to funding for vital programs administered by the U.S. Department of Housing and Urban Development each year. These programs include the [Section 8 Housing Choice Voucher Program](#) , [Community Development Block Grant Program](#) (CDBG), housing for the [elderly](#) and [disabled](#) and the [HOPE VI program](#)

. In my capacity as a member of the House Appropriations Committee, I have advocated for

strong funding levels for these important federal housing programs.

With the election of President Obama, Congress has a friend in the White House who recognizes the importance of increasing homeownership, supporting community development and increasing access to affordable housing free from discrimination.

Section 8 Housing Choice Voucher Program

The [Section 8 Housing Choice Voucher Program](#) provides safe, affordable housing to approximately two million American families. In both urban areas and rural communities, Section 8 vouchers provide assistance to families in every state across our country. These vouchers are often the only resource for low-income families facing our nation's affordable housing crisis. I am a staunch supporter of programs such as Section 8 and other Public Housing programs that provide safe and affordable places to live.

Section 202 Supportive Housing for the Elderly Program

The Section 202 Supportive Housing for the Elderly Program provides capital advances to finance acquiring, building, and rehabilitating supportive housing for very low-income seniors. With home and rental prices in Silicon Valley some of the highest in the country, our seniors have the right to live their silver years with dignity, independence, and security. While I recognize the need to restructure and modernize the program, I also know that cutting funding would decrease the number of senior housing projects in the pipeline precisely when the number of seniors in need of affordable rental housing is increasing rapidly. The foreclosure and financial crisis has left Silicon Valley's seniors more vulnerable than ever, and I will continue to fight to make sure their housing needs are met.

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